

Subject: RE: Revised Construction Contract
From: Josh Kreger <josh@southpark.la>
Date: 01/21/2016 11:28 AM
To: Jessica Lall <jessica@southpark.la>
CC: Priscilla Hsu <priscilla@southpark.la>, Bob Buente
<bbuente@1010dev.org>

Priscilla,

Can you forward this to the insurance agent from arroyo and ask them to review the appropriate Article 11 sections (copied below) to make sure we have all the coverages in place? Thank you!

11.3.1 Before commencing the Work, the South Park Stakeholders Group shall obtain and maintain a Builder's Risk Policy upon the entire Project for the full cost of replacement at the time of loss. This insurance shall also name the Design-Builder, Subcontractors, Subsubcontractors, Material Suppliers and Design-Professional as named insureds. This insurance shall be written as a Builder's Risk Policy or equivalent form to cover all risks of physical loss except those specifically excluded by the policy, and shall insure (a) at least against the perils of fire, lightning, explosion, windstorm, hail, smoke, aircraft (except aircraft, including helicopter, operated by or on behalf of Design-Builder) and vehicles, riot and civil commotion, theft, vandalism, malicious mischief, debris removal, flood, earthquake, earth movement, water damage, wind damage, testing if applicable, collapse however caused, and (b) damage resulting from defective design, workmanship or material and material or equipment stored offsite, onsite or in transit. The South Park Stakeholders Group shall be solely responsible for any deductible amounts or coinsurance penalties. This policy shall provide for a waiver of subrogation in favor of the Design-Builder, Subcontractors, Subsubcontractors, Material Suppliers and Design-Professional. This insurance shall remain in effect until final payment has been made or until no person or entity other than the South Park Stakeholders Group has an insurable interest in the property to be covered by this insurance, whichever is sooner. Partial occupancy or use of the Work shall not commence until the South Park Stakeholders Group has secured the consent of the insurance company or companies providing the coverage required in this subsection. Before commencing the Work, the South Park Stakeholders Group shall provide a copy of the property policy or policies obtained in compliance with this subsection.

11.4.2 SOUTH PARK STAKEHOLDERS GROUP'S LIABILITY INSURANCE The South Park Stakeholders Group shall either self-insure or obtain and maintain its own liability insurance for protection against claims arising out of the performance of this Agreement, including without limitation, loss of use and claims, losses and expenses arising out of the South Park Stakeholders Group's acts or omissions.

Josh Kreger

Director of Real Estate & Planning

RE: Revised Construction Contract

South Park Business Improvement District

Please note change of address:

1100 S. Flower St., Suite #3400, Los Angeles, CA 90015

josh@southpark.la <<mailto:josh@southpark.la>> | o. 213 663 1123 | c. 213 344 6749

www.southpark.la <<http://www.southpark.la/>> | [fb.com/southparklosangeles](https://www.facebook.com/southparklosangeles) | @southparkla

24/7 DISPATCH: 866-560-9346

view commercial vacancies at: www.southpark.la/vacancies <<http://www.southpark.la/vacancies>>

From: Jessica Lall

Sent: Thursday, January 21, 2016 9:02 AM

To: Josh Kreger <josh@southpark.la>

Cc: Priscilla Hsu <priscilla@southpark.la>; Bob Buente <bbuente@1010dev.org>

Subject: Fwd: Revised Construction Contract

Josh - p is looped in with our insurance agent from arroyo. We have a \$10mil policy but not sure if it covers all of this.

Bob - I'm assuming we want to put this under our g/l and not a new policy like we did the parklet?

Thanks,

Jessica Lall

South Park BID

Office: 213-663-1112

Cell: 213-820-0837

Please note our new address:

1100 Flower Street, Suite 3400

Los Angeles, CA 90015

Sent from my iPhone

Begin forwarded message:

From: "Kwartnik, Jr., James M." <kwartnij@pepperlaw.com>
<<mailto:kwartnij@pepperlaw.com>> >
Date: January 21, 2016 at 8:23:08 AM PST
To: "'Jessica Lall (jessica@southpark.la <<mailto:jessica@southpark.la>>)'" <jessica@southpark.la <<mailto:jessica@southpark.la>> >, "'Josh Kreger (josh@southpark.la <<mailto:josh@southpark.la>>)'" <josh@southpark.la <<mailto:josh@southpark.la>> >
Cc: "Gropman, Ted R." <gropmant@pepperlaw.com <<mailto:gropmant@pepperlaw.com>> >
Subject: Revised Construction Contract

Jessica and Josh,

Attached are clean and redlined versions of the revised contract. This draft a) reflects the changes we discussed last night with Dan McGrew and b) cleans up the formatting of the document – deletes Consensus Docs notes and blank spaces. I also had to tweak some of the insurance provisions.

Before I send this draft to Dan, please have your insurance broker review the insurance provisions in Article 11. We need confirmation that SPBID has or will have in place all of the coverages that are SPBID's responsibility. For example, under Article 11.3.1, SPBID is responsible for obtaining a Builder's Risk Policy, which is standard in the industry. Also, please ask your broker to look at Article 11.4.2 to confirm that SPBID has or will have the appropriate liability insurance in place. As you will see, I revised Article 11.5 to provide that any such coverage should be secondary, and that Griffith should add SPBID as an additional insured to its CGL policy with a "non-contributory" endorsement.

Once I get confirmation from you that we can satisfy all of the insurance requirements, I will forward this revised draft to Dan, along with a request for a conference call on Monday to discuss payment terms and project schedule.

Thanks,

Jim

James M. Kwartnik, Jr.

Associate

—image001.png—



— Attachments: _____

image001.png

4.4 KB